

MARYLAND DEPARTMENT OF NATURAL RESOURCES

Shellfish Aquaculture Leasing



Karl Roscher, Director
Aquaculture Division
DNR-Fisheries Service

Shellfish Aquaculture Leasing

Support from past Governors and Maryland Lawmakers in Expanding the Shellfish Aquaculture Industry

Governor's "Oyster Restoration and Aquaculture Development Plan"

- Expand aquaculture leasing opportunities
- Encourage the development of aquaculture businesses
- Bring back our native oyster
- Create new jobs and economic activity

General Assembly Legislation:

- Restructured lease laws by a unanimous vote, lifting leasing moratoriums and opening new areas for leasing.
- Streamlined permitting and consolidated State Agency authority for aquaculture permitting at DNR to improve efficiency in application processing and lease issuance

- Maryland Aquaculture Coordinating Council
 - Established by the General Assembly, NR Article
 - Charged with making recommendations to the Governor and Legislature on advancing aquaculture
 - 17 member stakeholder group including:
 - Senator, Delegate, State agency and UMD officials, 6 Governor appointed members (3 aquaculture/3 TFL)
 - Bi-monthly meetings

DNR Aquaculture staff serves on the Council and provides administrative support



Commercial Shellfish Aquaculture

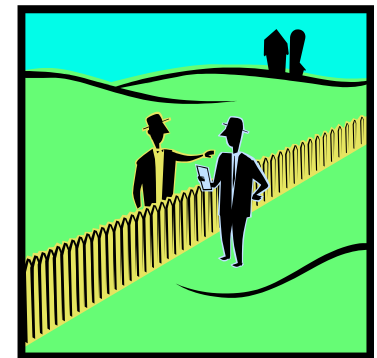
Maryland DNR

- Agency is responsible for issuing all State leases, licenses and permits for shellfish aquaculture in the Chesapeake and Coastal Bays
- Aquaculture Coordinator employed by DNR
- Administer the Coordinating Council and Aquaculture Review Board
- Established Aquaculture Division in 2011

- New steps for leasing in MD
- Joint State/Federal Lease Application Process
 - Consultation/ Pre-planning
 - Aquaculture Review Board
 - Application materials
- Lease Application Review Process
 - DNR Review and ACOE Review
- Public Notice Process
- Lease Agreement / Permit Issuance



- Review application materials and instructions
 - www.dnr.state.md.us/fisheries/oysters/industry/aquaculture
- Review statutes and regulations
 - Laws: www.lexisnexis.com/hottopics/mdcode/
 - Regulations: www.dsd.state.md.us/comar/
- Become informed about potential lease sites
- Contact us to discuss potential conflicts
 - Get a map to fine tune your area of interest
- Mark the center of the area with a stake
- Engage your potential neighbors



Application Pre-Planning & Consultation

What to avoid when choosing a lease:

- Public Shellfish Fishery Areas (PSFAs)
- Yates Bars within Sanctuaries
- Harvest Reserve Areas
- Submerged aquatic vegetation (SAV)
- Registered pound net sites
- Restricted/prohibited water classification
- Other existing leases
- Federal navigation channels and buoys
- Commercial fishing conflicts
- AND other resource conflicts not shown here

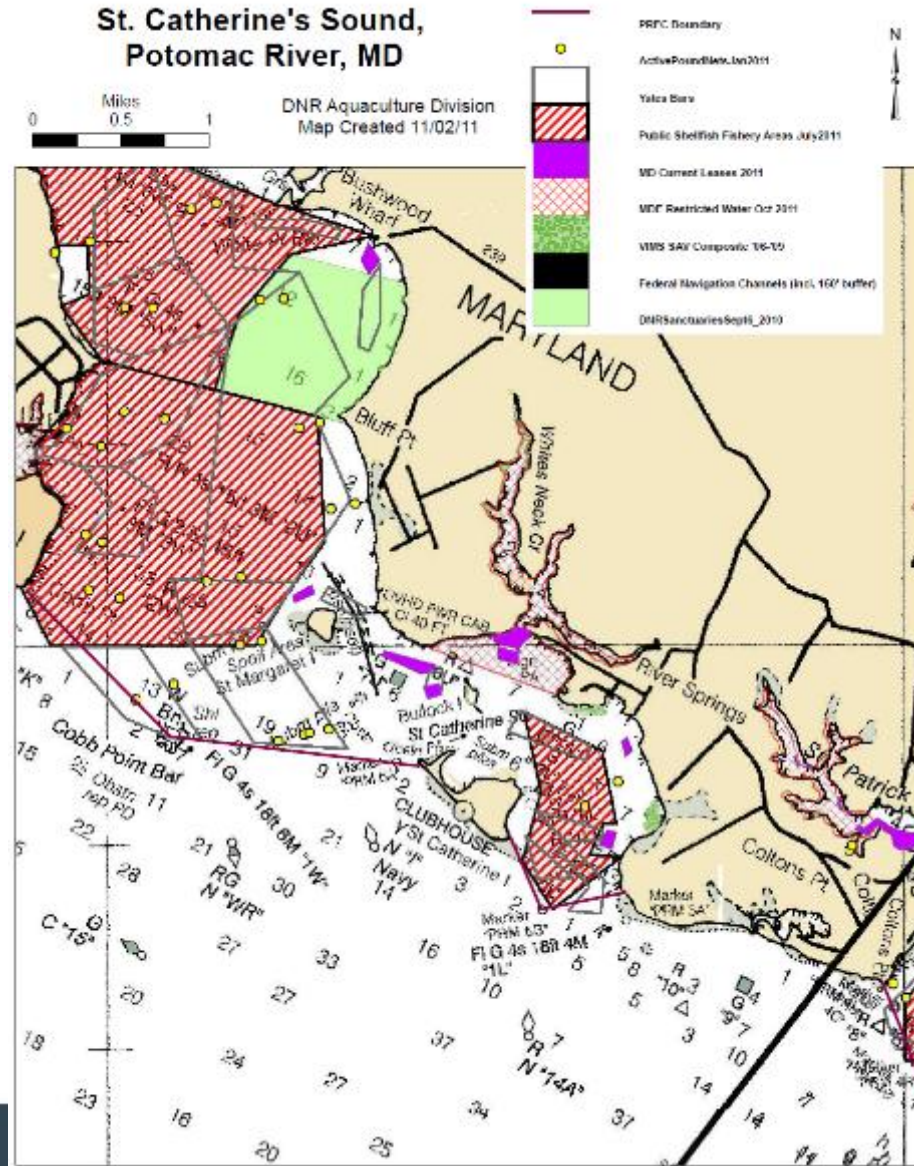


Goal: Provide existing and prospective leaseholders with a mechanism to identify and locate potential shellfish aquaculture sites prior to filing an application.

- Interactive Online map viewer – launched in 2012
 - Assist in planning and applying for leases
 - Help make informed decisions on lease locations, reduce conflicts
 - Free to use, requires registration
 - Includes mapping layers on:

Active Leases	Oyster Sanctuaries	Yates Bars
SAV	Pound Nets	PSFAs
WQ Classifications	Restoration Sites	MARI Reefs
Federal Channels	NOAA Nautical Charts	
- Provides user with the ability to draw polygons and establish lat/long coordinates for proposed sites
- <http://dnrweb.dnr.state.md.us/fisheries/aquatool/aquatool.asp>

Application Pre-Planning & Consultation



One-on-one meetings are available and encouraged to review lease sites before submitting an application.

MARYLAND DEPARTMENT OF NATURAL RESOURCES

Application Materials



Martin O'Malley, Governor
Anthony G. Brown, Lt. Governor
John R. Griffin, Secretary
Joseph P. Gail, Deputy Secretary

JOINT APPLICATION FOR STATE COMMERCIAL SHELLFISH AQUACULTURE LEASE AND CORPS OF ENGINEERS FEDERAL PERMIT

APPLICATION MUST BE ACCOMPANIED BY A NON-REFUNDABLE APPLICATION FEE.

Checks should be made payable to State of Maryland
Department of Natural Resources according to the following
fee structure*:

\$300 Submerged Land Lease
\$150 Aquaculture Enterprise Zone (AEZ) Lease
\$0 Water Column Lease (not within AEZ)

Received Date (stamp below)

Paid Date: _____

For office use only

PART I - All Applicants

Primary Applicant Information (name as it should appear on lease documents)

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone (h): _____ (c): _____

Email: _____

Is applicant over the age of 18? Yes ☐ No ☐

Tidal Fishing License holder? Yes ☐ No ☐ #: _____

Other aquaculture leases or tidal wetlands licenses held or pending:

Is Primary Applicant a Corporation?

Yes ☐ No ☐

State of Incorporation: _____

Is the corporation organized under
the laws of the state?

Yes ☐ No ☐

Is more than 50% of the stock in the
corporation owned by residents of
the State of Maryland?

Yes ☐ No ☐

SDAT ID#: _____
(If you do not know what this is, see
<http://www.dat.state.md.us/>)

You are eligible for a lease in the
State of Maryland only if you
answered yes to all of the above.
Please provide the corporation name
AND resident agent's name, address,
telephone number(s), and
email on an additional page.

Joint Application Form

- Used by MD DNR and US Army Corps Of Engineers to review proposed projects
- Fee structure
 - \$300 shell-on-bottom
 - \$300 water column
- Individual or corp. may apply, if eligible
- No lease size limitations

Application Materials

Major components of the application:

- Applicant / Corporation information
- Description of lease location and site
 - waterway, min & max depth, tide, bottom type, distance from shore, other uses
- Maps: lease location, offloading site, staging/equipment storage site and nursery facility (upweller, remote setting tank, etc.)
- Diagrams: Cross-section, in-water equipment
- Production Information
- Signatures

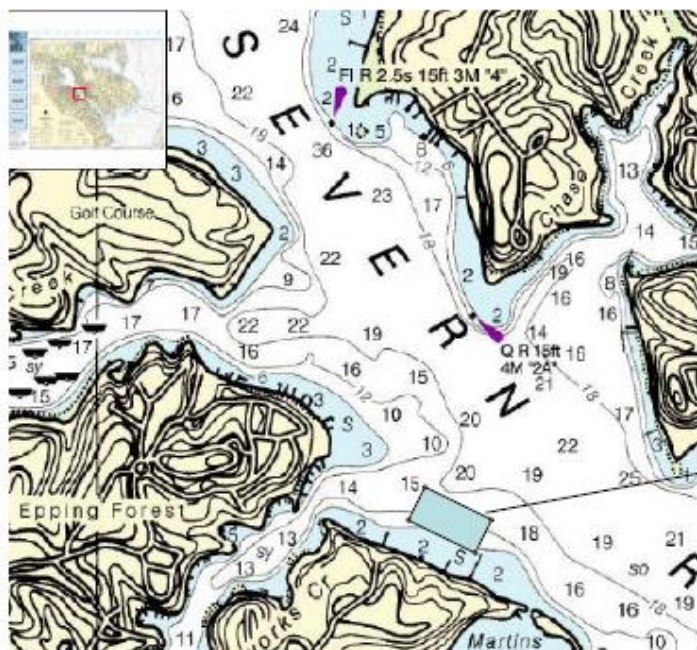


Application Materials – Vicinity Map

Example of how to show the location of your proposed site using a map and aerial diagram:

**Please include this info on all diagrams submitted with your lease application*

Name/Business: John I. Doe
Town, State: Your Town, MD
Waterbody: Your River
Date: October 1, 2010



xx°xx.xxx' N
xx°xx.xxx' W

xx°xx.xxx' N
xx°xx.xxx' W

**At least two of these corner coordinates should match those given on your cross-section diagram.*



xx°xx.xxx' N
xx°xx.xxx' W

xx°xx.xxx' N
xx°xx.xxx' W



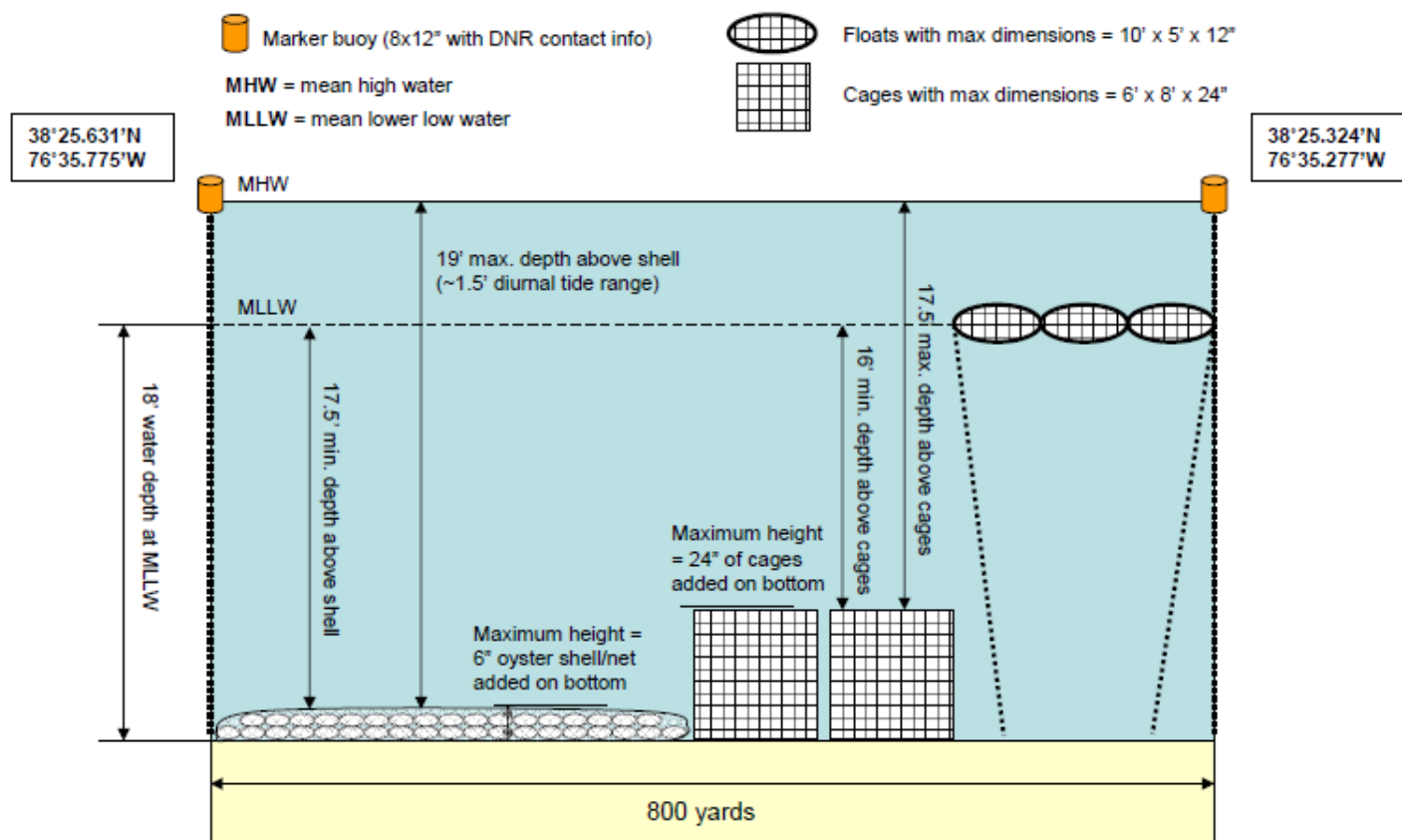
Marker buoy (8x12" with name and lease #)

Application Materials – Cross Section

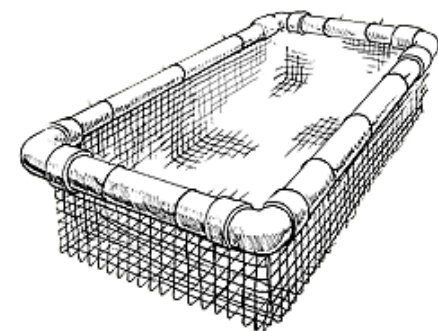
Cross-Section Example 4: Constant bottom depth with cages, floats, and/or predator exclusion net

**Please include this info on all diagrams submitted with your lease application*

Name/Business: John I. Doe
Town, State: Your Town, MD
Waterbody: West River
Date: October 1, 2010



- 3-D sketches and/or photos of in-water equipment
- Dimensions (l x w x h)
- Quantity
- Configuration within lease area



Cindy Fletcher-Holden

Taylor Float

DNR Application Review Process

- Submit application to DNR
- State application review for completion
- State legal and resource review
- Hydrographic survey of proposed lease location
 - Determination and marking of legal corner coordinates
- Additional materials created by DNR to accompany the application to Corps
- Application forwarded to Corps



Public Notice Process - DNR

DNR Public Notice Process

- 2 consecutive weeks notification in county newspaper followed by a 30 day comment period
- Other Notifications: Adjacent landowners, Chair of County Oyster Committee, DNR website
- Public Information Session request and/or Petition of Protest may be filed
- Content: Applicant(s) names, lease county and general location description, lease type, survey coordinates, deadline for requesting further action, map of lease and vicinity

ACOE Application Review Process (Baltimore Dist.)

<http://www.nab.usace.army.mil/Wetlands Permits/aquaculture.htm>

- Application materials received from DNR
- Determination of permit review process
 - Individual Permit (IP)
 - Regional General Permit-1 (RGP-1)
- Corps review of application for completeness
- Partner agency consultations
- 30-day public notice (IP only)
- Permit issuance within 60 days for RGP



U.S. Army Corps
Of Engineers
Baltimore District

Regional General Permit-1 Eligibility and Process

[www.nab.usace.army.mil/Wetlands Permits/PublicNotice/SPN/spn11-66.pdf](http://www.nab.usace.army.mil/Wetlands%20Permits/PublicNotice/SPN/spn11-66.pdf)

- Single project lease acreage thresholds:
 - 50 acre bottom lease
 - 5 acre water column lease w/cages
 - 3 acre water column lease w/floats
- Partner agency consultations are streamlined
- No Federal public notice required
- DNR assists with Federal Agency notifications:
 - Notice to Mariners, PATON Application, nav charts, SAHP
- RGP-1 Verification Letter issued within 60 days of receiving complete application



U.S. Army Corps
Of Engineers
Baltimore District

Lease Agreement - DNR

DNR Lease Agreement

- Mailed to primary applicant once notice process has concluded and significant public concerns are resolved
- Work in coordination with the Corps to ensure that both agencies plan to issue at approximately the same time
- Once signed agreement is received back, State executes and records lease
- Valid for 20 years with one renewal



- Shellfish Aquaculture & Leasing Regulations-08.02.23.00
 - Lease application procedures, application fees, reporting requirements, annual lease rent, marking requirements (corner markers & gear), lease transfers
 - **Shellfish Aquaculture Harvester Permit (SAHP) regulations**
 - Registration cards required for anyone working on a lease
 - Establishes size limits specific to aquaculture
 - Tagging Requirements
 - Compliance with National Shellfish Sanitation Program (NSSP)
 - Vibrio control plan-summertime harvest time/temp requirements
 - Penalties for violations-suspensions/revocations of the SAHP
 - Shellfish Nursery Permits-required for nursery operations, \$100, 5 year term, seed only-1” or less, in-water structures up to 200 square feet

Requirements for leaseholders

- Pay Annual Rent
- Commercially utilize the lease
- Yearly Activity Reporting
- Obtain Shellfish Aquaculture Harvester Permit
 - Submit Monthly Harvest Reports
- Obtain other necessary permits where applicable

Rent due yearly upon receipt of invoice
from the Department

- Submerged land lease: \$3.50 per acre
- Water column: \$25 per acre

MARYLAND DEPARTMENT OF NATURAL RESOURCES

Annual Lease Activity Reporting

Annual report of activity is mailed out with yearly invoices

- Details previous years planting, harvesting and maintenance activity
- Requires documentation of purchases of larvae, seed and shell
- May request additional information from leaseholder about resource needs and training needs as necessary

Who will be the permittee?

The leaseholder(s)

Who is the registrant?

All individuals other than the leaseholder/permittee conducting aquaculture activities on the lease

Both the SAH permittee and registrants are issued registration cards

The cards are:

- Issued annually
- Renewed automatically if reporting requirements met and no violations
- Not transferable

2014 SHELLFISH AQUACULTURE HARVESTER REGISTRATION CARD	
PERMITTEE	
NAME: John A. Smith, Jr.	
ADDRESS: 12345 Chesapeake Way My Town, MD 01234	
PERMIT #: 0001-P1	
Valid only for harvest on lease:	 EXPIRES 12/31/14
__XX001__ __	THIS CARD IS NOT TRANSFERABLE

Permittee is responsible for:

Notifying department of any **changes to the registrant list** on a form provided by the department

Submitting a **monthly harvest activity report** by the 10th day of the month

Monthly Harvest Form

Month _____ **2014**

MARYLAND MONTHLY SHELLFISH AQUACULTURE HARVEST REPORT

Species (circle one):

Oysters

Clams

Date and Time	Number Harvested	Specify Volume (Count, Bushels, or other)	Gear Type (power dredge, diver, patent Tongs or other please specify)	Lease Site(s) Where Harvest Occurred	To Whom Sold (Registered Buyer License Number)	Port or Creek of Landing

Duties of Permittee and Registrants

All permittees and registrants must:

- Possess a valid registration card while working on lease (regulatory changes pending)
- Harvest in accordance with all DHMH regulations including the National Shellfish Sanitation Program, including tagging and summertime harvest restrictions
- Have written permission from the Department for undersized oysters outside of the leased area
- Sell oysters in accordance with current regulations

Water Column Leases



True Chesapeake raises oysters on multiple water column leases in Southern Maryland.

Owners: Pat & Patrick Hudson, Ray Jackson and Fred Cheek.

They market their premium product as “Skinny Dipper” oysters and were the featured oyster at this year’s Preakness Stakes.

Hooper's Island Oyster Aquaculture Company

Home of Chesapeake Gold Brand Oysters and equipment.

Owners: Johnny Shockley and Ricky Fitzhugh

HIOAC grows oysters on a water column lease, raises and sells seed and manufactures equipment for nursery and grow-out production.



MARYLAND DEPARTMENT OF NATURAL RESOURCES

Commercial Shellfish Aquaculture



2015 Industry



Bottom leases:

- 272 active leases
- 3915 acres
- shell on bottom



Water Column leases:

- 55 active leases
- 213 acres
- oyster cages & floats



Maryland is
open for
business and
ready to grow!



Questions?



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